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DA 13-287

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## DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF TELANETIX, INC. AND ACCESSLINE COMMUNICATIONS CORPORATION TO HCP-TELA, LLC

## STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 13-41

Comments Due: March 12, 2013 Reply Comments Due: March 19, 2013

On February 11, 2013, Telanetix, Inc. (Telanetix), AccessLine Communications Corporation (ACC), and HCP-TELA, LLC (HCPT) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules<sup>1</sup> to request authority to transfer control of Telanetix and its affiliate, ACC, to HCPT.<sup>2</sup> Applicants closed the transaction, without approval from the Commission, on July 2, 2010.

Telanetix, a Delaware corporation, is a cloud based communications solutions company providing next-generation hosted voice services to small and mid-sized businesses. Other than ACC, Telanetix does not have any affiliates that hold authorizations relating to the provision of telecommunications services. ACC, a Delaware corporation, is a wholly-owned subsidiary of AccessLine Holdings, Inc., also a Delaware corporation, which in turn is a wholly-owned subsidiary of Telanetix. ACC provides resold and facilities-based long distance services in the District of Columbia and all fifty states.

<sup>&</sup>lt;sup>1</sup> 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed several supplements to their application.

<sup>&</sup>lt;sup>2</sup> On February 11, 2013, the Applicants filed, and the Wireline Competition Bureau granted, a request for Special Temporary Authority for authorization to continue to provide service pending approval of these applications. The Applicants will separately seek approval of a merger between Telanetix and a subsidiary of Intermedia Holdings, Inc. that will also result in a transfer of control of ACC's domestic section 214 authorizations. A grant of the application will be without prejudice to any enforcement action by the Commission for non-compliance with the Communications Act of 1934, as amended, or the Commission rules.

HCPT, a Delaware limited liability company, was formed for the purposes of the proposed transaction with no other business interests. Hale Capital Partners, LP (HCP),<sup>3</sup> a Delaware limited partnership, wholly owns and is the Managing Member of HCPT. Hale Fund Partners, LLC, (HFP) a Delaware limited liability company, is the general partner of HCP. Applicants state that HCPT, HCP and HFP are not affiliated with any other telecommunications company that holds Commission authorizations. Hale Fund Management, LLC, a Delaware limited liability company, is the Manager of EREF-TELA, LLC (EREF), a Delaware limited liability company, and CBG-TELA, LLC (CBG), also a Delaware limited liability company. Hale Fund Management LLC, a Delaware limited liability company, is the Managing Member of HCPT, EREF, CBG, and exercises control.<sup>4</sup> Martin M. Hale, Jr., a U.S. citizen, is the sole owner of Hale Fund Management, LLC and the Managing Member and sole owner of Hale Fund Partners, LLC.

On June 30, 2010, Telanetix entered into a securities purchase agreement (Purchase Agreement) with (i) EREF, (ii) HCPT and (iii) CBG. The stock allocation resulted in the following entities holding a greater than ten percent interest in Telanetix: HCPT (55%), EREF (11.8%), and CBG (15.7%). Telanetix issued notes and common stock to the purchasers at the closing of the transactions on July 2, 2010. Telanetix issued the balance of the shares of common stock following an amendment to its certificate of incorporation on September 2, 2010. As a result of this transaction, HCPT acquired direct control of Telanetix and indirect control of ACC.

Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>5</sup>

Domestic Section 214 Application Filed for the Transfer of Control of Telanetix, Inc. and AccessLine Communications Corporation to HCP-TELA, LLC, WC Docket No. 13-41 (filed Feb. 11, 2013).

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before March 12, 2013,** and reply comments **on or before March 19, 2013.** Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice. Comments should be filed using the Commission's Electronic Comment Filing System (ECFS). See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

<sup>&</sup>lt;sup>3</sup> HCP is comprised of limited partners, none of whom as limited partner can exercise control, and all of whom that have a greater than ten percent partnership interest are US citizens.

<sup>&</sup>lt;sup>4</sup> The only member of HCP-TELA, LLC, EREF-TELA, LLC and CBG-TELA, LLC that has a greater than 10 percent indirect ownership interest in AccessLine Communication Corporation is EREF Private Equity, LLC, a Delaware limited liability corporation. MP Alpha Holdings LLP, a Delaware limited liability partnership, is the only member of EREF Private Equity, LLC that has a greater than 10% indirect ownership interest in Access Line Communication Corporation. All of the owners of MP Alpha Holdings LLP are individuals and are US citizens.

<sup>&</sup>lt;sup>5</sup> 47 C.F.R. § 63.03(b)(2)(i).

<sup>&</sup>lt;sup>6</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

• Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://fjallfoss.fcc.gov/ecfs2/.

## In addition, e-mail one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson at (202) 418-1394 or Dennis Johnson at (202) 418-0809.